

§ 68.15

(c) Section 68.19 contains details concerning the documentation of vessels by an 883-1 corporation.

[CGD 80-107, 47 FR 27511, June 24, 1982. Redesignated and amended by USCG-2005-20258, 71 FR 61418, Oct. 18, 2006]

§ 68.15 Privileges conferred—operation of vessels.

(a) The special citizenship status created by the Act entitles the 883-1 corporation to operate, subject to the restrictions in § 68.17, vessels which are qualified to engage in the coastwise trade and are exempt from documentation. (See § 67.9 for classes of exempt vessels.)

(b) Vessels, documented or exempt from documentation, employed subject to the Act may carry passengers and merchandise of the 883-1 corporation owning such vessels only between points in the United States, including territories, districts, and possessions thereof embraced in the coastwise laws.

(c) The special citizenship status created by the Act entitles an 883-1 corporation owning vessels as described in paragraphs (a) and (b) of this section to transport merchandise or passengers for hire in the coastwise trade as a service for a duly qualified parent or subsidiary corporation as defined in § 68.3.

(d) The special citizenship status created by the Act entitles an 883-1 corporation owning vessels as described in paragraphs (a) and (b) of this section to demise or bareboat charter such vessels to common or contract carriers subject to the restrictions in § 68.17(c).

[CGD 80-107, 47 FR 27511, June 24, 1982, as amended by USCG-2002-13058, 67 FR 61279, Sept. 30, 2002. Redesignated and amended by USCG-2005-20258, 71 FR 61418, Oct. 18, 2006]

§ 68.17 Restrictions.

(a) Vessels employed subject to the Act are entitled to operation only in the coastwise trade and only to the extent described in paragraphs (b) and/or (c) of this section.

(b) A vessel owned by an 883-1 corporation may engage in coastwise transportation for hire as a service to a parent or subsidiary corporation as defined in § 68.3. Such transportation for hire must be between points of the

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United States, including territories, districts, and possessions thereof embraced in the coastwise laws.

(c) A vessel owned by an 883-1 corporation may be operated under demise or bareboat charter to a common or a contract carrier subject to 49 U.S.C. Chapter 101 if the corporation is a U.S. citizen as defined in 46 U.S.C. App. 802.

(1) Such common or contract carrier may not be connected either directly or indirectly by ownership or control with the 883-1 corporation.

(2) The demise or bareboat charter must be at prevailing rates.

(3) The vessels under a demise or bareboat charter may not be used in non-contiguous trade.

[CGD 80-107, 47 FR 27511, June 24, 1982, as amended by CGD 95-028, 62 FR 51203, Sept. 30, 1997. Redesignated and amended by USCG-2005-20258, 71 FR 61418, Oct. 18, 2006]

§ 68.19 Application by an 883-1 corporation to document a vessel.

(a) An application by an 883-1 corporation to document a vessel must comply with the applicable requirements in subparts A, D, E, F, G, H, I, K, and L of part 67 of this chapter.

(b) An application by an 883-1 corporation to document a vessel must include a copy of the Certificate of Compliance issued under § 68.7.

[CGD 95-014, 60 FR 31606, June 15, 1995. Redesignated and amended by USCG-2005-20258, 71 FR 61418, Oct. 18, 2006]

APPENDIX A TO SUBPART A OF PART 68— OATH FOR QUALIFICATION OF CORPORATION AS A CITIZEN OF THE UNITED STATES UNDER THE ACT OF SEPTEMBER 2, 1958 (46 U.S.C. APP. 883-1)

Department of Homeland Security, U.S. Coast Guard

Oath for Qualification of Corporation as a Citizen of the United States Under the Act of September 2, 1958 (46 U.S.C. app. 883-1)

Corporation:

Name _____

Address¹ _____

State where incorporated _____

Affiant:

Name _____

Address _____

¹Show principal place of business of corporation.

Coast Guard, Dept. of Homeland Security

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Company _____
Title or capacity _____

I, the affiant named above, swear that I am legally authorized to make this oath on behalf of the corporation, that a majority of the officers and directors of the above-named corporation are citizens of the United States, as shown by the attached listing incorporated in and made a part of this oath which truly and correctly names all such officers and directors, giving the home address and citizenship of each; that not less than 90 percent of the employees of the corporation are residents of the United States; that the corporation is engaged primarily in a manufacturing or mineral industry in the United States or in a territory, district or possession thereof; that the aggregate book value of the vessels owned by the corporation does not exceed 10 percent of the aggregate book value of the assets of the corporation; and that the corporation purchases or produces in the United States, its territories or possessions not less than 75 percent of the raw materials used or sold in its operation.²

The above named corporation fails to qualify as a citizen within the meaning of §67.39(c) of this chapter by reason of:³

____ Non-citizen President
____ Non-citizen Chairman of Board
____ Failure to meet quorum requirements
____ Failure to meet stock ownership requirements

Signature _____

Subscribed and sworn to before me on the day and year shown _____

(Notary Public)

Date _____

[CGD 80-107, 47 FR 27511, June 24, 1982, as amended by USCG-2002-13058, 67 FR 61279, Sept. 30, 2002; USCG-2003-14505, 68 FR 9535, Feb. 28, 2003. Redesignated and amended by USCG-2005-20258, 71 FR 61418, 61419, Oct. 18, 2007]

APPENDIX B TO SUBPART A OF PART 68— OATH OF PARENT OR SUBSIDIARY CORPORATION ACT OF SEPTEMBER 2, 1958 (46 U.S.C. APP. 883-1)

*Department of Homeland Security, U.S. Coast
Guard*

Oath of Parent or Subsidiary Corporation,
Act of September 2, 1958 (46 U.S.C. app. 883-1)

Corporation: _____

² Attach the required list of the names of all officers and directors of the corporation, giving the home address and citizenship of each.

³ Check appropriate line or lines.

Name _____
Address _____
State of incorporation _____
Status (Parent)¹ _____ (Sub-
sidiary)² _____
Name of associated corporation _____
Address _____
State where incorporated _____
Affiant:
Name _____
Address _____
Company _____
Title or capacity _____

I, the affiant named above, swear that the corporation first named herein is the (parent)¹ (subsidiary)² of the associated corporation named, that I am the duly authorized officer or agent of the corporation first named, and that the associated corporation has previously established that it is a citizen within the meaning of the Act of September 2, 1958 (46 U.S.C. app. 883-1).

Signature _____

Subscribed and sworn to before me on the day and year shown _____

(Notary Public)

[CGD 80-107, 47 FR 27511, June 24, 1982, as amended by USCG-2003-14505, 68 FR 9535, Feb. 28, 2003. Redesignated and amended by USCG-2005-20258, 71 FR 61418, 61419, Oct. 18, 2007]

Subpart B—Documentation of Certain Vessels for Oil Spill Cleanup

SOURCE: CGD 90-055, 57 FR 7642, Mar. 3, 1992. Redesignated by USCG-2005-20258, 71 FR 61418, Oct. 18, 2006]

§ 68.25 Purpose and scope.

This subpart contains citizen ownership requirements and procedures to allow documentation of vessels which do not meet the requirements of part 67

¹ A "parent corporation" for the purposes of this oath is one incorporated under the laws of the United States, or any State, territory, or district of the United States, which controls (directly or indirectly) at least 50 percent of the voting stock of another corporation. Strike out the inapplicable term.

² A "subsidiary corporation" for the purposes of this oath is one incorporated under the laws of the United States, or any State, territory, or district of the United States, which has not less than 50 percent of its voting stock controlled (directly or indirectly) by another corporation. Strike out the inapplicable term.